

FINAL STATEMENT OF REASONS

Extension of Short-Term Exemptions and New CalWORKs 48-Month Time Limita) **Specific Purpose of the Regulations and Factual Basis for Determination that Regulations Are Necessary**

The proposed regulations implement changes mandated by Senate Bill (SB) 72 (Chapter 8, Statutes of 2011) and Assembly Bill (AB) 106 (Chapter 32, Statutes of 2011) under which the California Work Opportunity and Responsibility to Kids (CalWORKs) program is operated.

Sections:

40-107(a) (4)	40-107(a) (4) (C)	40-107(a) (4) (D)	40-107(a) (4) (F) 2
40-107(a) (4) (G)	40-107(a) (4) (G) 2	40-107(a) (4) (H)	40-107(a) (4) (I)
40-107(a) (5)	40-107(a) (5) (B)	40-107(a) (5) (C)	42-301.1
42-301.2	42-302.1	42-302.11	42-302.114(b) (1)
42-302.2	42-302.114(b) (1) (A)	42-302.12	42-302.2 (QR)
42-302.221	42-302.21	42-302.21(g)(1)(C)	42-302.22
42-302.224	42-302.222	42-302.223(b)	42-302.223(b)(1)
42-431.63	42-302.225	42-302.3	42-302.31(a)
42-713.41	42-712.6	42-712.64	42-713.4
42-717.3	42-713.43	42-716.11	42-716.211
44-316.331(a)(QR)	42-721.411	44-133.8	44-307.52
82-833.1			

Specific Purpose:

These sections are being amended in order to reduce the maximum number of months an adult can be aided with CalWORKs benefits from 60 to 48 and amend the timeframes

associated with notifying a client of his or her time-on-aid. In addition, months of aid received in other states or from a Tribal Temporary Cash Assistance for Needy Families (TANF) program will continue to count toward a recipient's CalWORKs 48-month time limit.

Factual Basis:

These amendments are necessary to comply with Welfare and Institutions Code Sections 11454(a) and 11454.2(a) as amended by SB 72 and AB 106. Before SB 72 and AB 106, an adult could be aided with CalWORKs for a maximum of 60 months, unless otherwise exempt from the time limit. As the result of SB 72 and AB 106, the maximum number of months an adult can now receive CalWORKs is 48 months, unless otherwise exempt from the time limit.

Final Modification:

The CDSS broadened the text in Section 40-107 (a)(4)(C) and 40-107 (a)(4)(D) to clarify how clients shall be noticed when he or she is approaching his or her 48th month on aid.

Section 42-302.21(b)(3)

Specific Purpose:

This section is being amended to reflect the one year extension of the temporary Welfare-to-Work (WTW) exemption for individuals with young children. This section will now become inoperative on July 1, 2012.

Factual Basis:

ABX4 4 added a new Welfare-to-Work participation and CalWORKs time limit exemption. This exemption applies to a parent or other relative who has primary responsibility for personally providing care to one child who is from 12 to 23 months of age, or two or more children who are under six years of age. An individual who meets any of these criteria shall be excused from Welfare-to-Work activities and have their time clock stopped for as long as they meet the exemption or until July 1, 2012, whichever comes first. This revision is necessary to implement Welfare and Institutions Code Section 11320.3(b)(7) and Section 11454.5(a)(7).

Section 42-302.21 (k)

Specific Purpose:

This section is being amended to reflect the one year extension of the temporary exemptions from the CalWORKs time limit when an individual receives good cause due to lack of supportive services. Section 42-713.43 is also being amended to reflect the new CalWORKs time limit. This section will now become inoperative on July 1, 2012.

Factual Basis:

Currently, when an individual is given good cause due to lack of supportive services, this exemption stops the individual's CalWORKs time clock for as long as they meet the exemption or through July 1, 2011, whichever comes first. SB 72 extended that timeline for an additional year, which means these paragraphs will now become inoperative on July 1, 2012. This amendment is necessary to implement Welfare and Institutions Code Section 11454.5(a)(6), as amended by SB 72 and AB 106.

Section 42-712.474

Specific Purpose:

This section is being amended to reflect the one year extension of the temporary Welfare-to-Work (WTW) exemption for individuals with young children. This section will now become inoperative on July 1, 2012.

Factual Basis:

ABX4 4 added a new Welfare-to-Work participation and CalWORKs time limit exemption. This exemption applies to a parent or other relative who has primary responsibility for personally providing care to one child who is from 12 to 23 months of age, or two or more children who are under six years of age. An individual who meets any of these criteria shall be excused from Welfare-to-Work activities and have their time clock stopped for as long as they meet the exemption or until July 1, 2012, whichever comes first. This amendment is necessary to implement Welfare and Institutions Code Section 11320.3(b)(7) and Section 11454.5(a)(7).

Section 42-712.64

Specific Purpose:

This section is being amended to reflect the one year extension of the temporary Welfare-to-Work exemption for individuals with young children. This section will now become inoperative on July 1, 2012.

Factual Basis:

When an individual is granted the Welfare-to-Work exemption for individuals with young children, as described above in Section 42-712.474, this exemption also stops their CalWORKs time clock for as long as they meet the exemption criteria or until July 1, 2012, whichever comes first. This revision is necessary to implement Welfare and Institutions Code Section 11454.5(a)(7).

Section 42-713.43

Specific Purpose:

This section is being amended to reflect the one year extension of the temporary exemptions from the CalWORKs time limit when an individual receives good cause due to lack of supportive services. Section 42-713.43(k) is also being amended to reflect the new CalWORKs time limit. This section will now become inoperative on July 1, 2012.

Factual Basis:

Currently, when an individual is given good cause due to lack of supportive services, this exemption stops the individual's CalWORKs time clock for as long as they meet the exemption or through July 1, 2011, whichever comes first. SB 72 extended that timeline for an additional year, which means this section will now become inoperative on July 1, 2012. This amendment is necessary to implement Welfare and Institutions Code Section 11454.5(a)(6), as amended by SB 72 and AB 106.

b) Identification of Documents Upon Which Department Is Relying

Senate Bill (SB) 72, Chapter 8, Statutes of 2011
Assembly Bill (AB) 106, Chapter 32, Statutes of 2011

c) Local Mandate Statement

These regulations do impose a mandate upon local agencies, but not on school districts. If the Commission on State Mandates determines that these regulations contain reimbursable costs mandated by the state, reimbursement to local agencies for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government code.

d) Statement of Alternatives Considered

CDSS has determined that no reasonable alternative considered would be more effective in carrying out the purpose for which the regulations are proposed or would be as effective and less burdensome to affected private persons than the proposed action or would be more cost effective to affected private persons and equally effective in implementing that statutory policy or other provision of law.

In developing the regulatory action, CDSS did not consider any other alternatives than the one proposed because there were no other alternatives proposed. The statute is prescriptive and does not provide the flexibility to consider other approaches for implementation.

e) Statement of Significant Adverse Economic Impact On Business

CDSS has determined that the proposed action will not have a significant, statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states.

f) Economic Impact Assessment

The adoption of the proposed amendments will neither create nor eliminate jobs in the State of California nor result in the elimination of existing businesses or create or expand businesses in the State of California. The proposed amendments only affect CalWORKs program participants and are mandated by the State of California due to the current economic shortfall.

The benefits of the regulatory action to the health and welfare of California residents, worker safety, and the state's environment are as follows:

- This regulatory amendment allows counties more effective utilization of limited resources for CalWORKs services. It also provides counties additional flexibility to address funding constraints due to the continued reduction to the CalWORKs single allocation.

The documents relied upon in proposing these regulatory actions are SB 72 (Chapter 8, Statutes of 2011) and AB 106 (Chapter 32, Statutes of 2011).

g) Benefits Anticipated from Regulatory Action

This regulatory action allows counties, and in turn CDSS, to address funding constraints due to the continued reduction to the CalWORKs single allocation.

h) Statement of Specific Technology or Equipment

This regulatory action will not mandate the use of new, specific technologies or equipment

i) Testimony and Response

These regulations were considered as Item #2 at the public hearing held on August 29, 2012 in Sacramento, California. Written testimony was received from the following during the 45-day comment period from July 13, 2012 to 5:00 p.m. August 29, 2012:

The comments received and the Department's responses to those comments follow. At the end of each comment is the name of the commenter in parentheses. General comments follow the specifically identified section comments.

PUBLIC COMMENT
KEY TO ABBREVIATIONS

CDSS - California Department of Social Services
LSNC - Legal Services of Northern California

Section 40-107(a)(4)(D)

1. Comment:

LSNC suggests clarifying the above section by replacing “in one month” with “in one of the months falling during the period.” In addition, LSNC suggests adding language to clarify that this noticing requirement applies each time the recipient enters his or her 42nd to 46th months of aid.

Response:

CDSS agrees with and accepts the LSNC suggested changes to clarify the noticing requirements. Regulations have been modified to reflect that recipients shall be notified each time the Assistance Unit (AU) reaches the 42nd to 46th months of aid, including instances when the recipient’s time clock is adjusted to add months of aid.

Section 40-107(a)(4)(G)(2)

2. Comment:

LSNC suggests revising a notice of action that is triggered by the section 40-107, shown above.

Response:

CDSS does not agree with the commenter’s change. The commenter did not suggest any regulatory changes. Rather, the commenter requests changes to a notice of action, which is not part of the regulation package and therefore outside the scope of this process. No changes will be made to the regulation.

Section 40-107(a)(4)(H)

3. Comment:

LSNC suggests revising a notice of action that is triggered by the section 40-107, shown above.

Response:

CDSS does not agree with the commenter’s change. The commenter did not suggest any regulatory changes. Rather, the commenter requests changes to a notice of action, which is not part of the regulation package and therefore outside the scope of this process. No changes will be made to the regulation.

Section 42-712.47

4. Comment:

LSNC suggested amending this regulation to show that a deadline of June 30, 2012, has been extended to December 31, 2012.

Response:

No changes will be made to this regulation section. The extended deadline of December 31, 2012 is part of Senate Bill 1041, passed in the 2012 legislative session; therefore, this comment is outside the scope of SB 72. No changes will be made to the regulation.

Section 42-712.64

5. Comment:

LSNC suggested modifying the language in this section to clarify that affected persons would only be able to take advantage of the exemption under this section once in his or her lifetime.

Response:

No changes will be made to this regulation section. The changes suggested by the commenter are part of Senate Bill 1041, passed in the 2012 legislative session; therefore, this comment is outside the scope of SB 72.

j) 15-Day Renotice Statement

Pursuant to Government Code Section 11347.1, a 15-day renotice and complete text of modifications made to the regulations were made available to the public following the public hearing from November 2, 2012 to November 17, 2012. No comment was received as a result of this 15-day notice.